

## CABINET

<b>Date of Meeting</b>	Tuesday, 15 <sup>th</sup> October 2024
<b>Report Subject</b>	Local Development Plan Annual Monitoring Report
<b>Cabinet Member</b>	Cabinet Member for Planning, Public Health, and Public Protection
<b>Report Author</b>	Chief Officer (Planning, Environment and Economy)
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

The Local Planning Authority is required to prepare and submit to Welsh Government its first Annual Monitoring Report (AMR) following the adoption of the Flintshire Local Development Plan (LDP) on 24<sup>th</sup> January 2023. The first AMR covers the first full 12-month period following adoption which is 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024. The AMR must be submitted to Welsh Government by 31<sup>st</sup> October 2024.

The monitoring of an adopted LDP is a key part of the Welsh Government's 'plan-led' planning system. The objective of plan monitoring is to establish through evidence gathering whether the Plan is delivering on its strategy, objectives, policies and proposals. Plan monitoring is a key part of informing the need for, timing and nature of a plan review.

The first AMR has been prepared based on firstly, the Monitoring Chapter in the adopted LDP written statement and secondly, the Welsh Government guidance in Development Plans Manual Edition 3. It monitors the performance of the Plan against 66 monitoring indicators.

The AMR is presented in full in Appendix 1 and includes an Executive Summary which summarises the key findings and provides answers to set questions from Welsh Government.

The AMR shows that the LDP is performing well in terms of its strategy, objectives, policies, and proposals. The LDP is still considered to be relevant, appropriate, and up to date. Housing delivery has been ahead of the Plan's housing requirement of 463 dwellings per annum but behind the Anticipated Annual Build Rate (AABR) in the housing trajectory in the adopted LDP. However, good progress has been made in terms of the Northern Gateway strategic site which is

now seeing completions with several housebuilders on site and the other housing allocations which will start delivering completions over the remaining Plan period.

The Plan is on track to deliver the housing requirement of 6,950 dwellings by the end of the Plan period, with the exception of 61 units which is less than 1% of the housing requirement. The conclusion and recommendation of the AMR is that the LDP be the subject of further AMRs to better inform the need for, timing and type of Plan review.

The AMR was considered by Planning Strategy Group at its meeting on Friday 13<sup>th</sup> September where it was endorsed, with some minor suggested amendments, to be reported to Cabinet for adoption and thereafter to be submitted to Welsh Government.

## RECOMMENDATIONS

1	That the first Annual Monitoring Report is adopted by Cabinet and submitted to Welsh Government prior to the deadline of 31 <sup>st</sup> October 2024.
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## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE LDP ANNUAL MONITORING REPORT AMR</b>
1.01	<p>The draft AMR presented in Appendix 1 has been prepared to follow the guidance in the Development Plans Manual. It seeks to assess some 66 individual monitoring indicators that are part of the adopted LDP and is structured as follows:</p> <ul style="list-style-type: none"> <li>• Introduction – an introduction to the structure, content, and purpose of the AMR</li> <li>• Contextual Changes – whether there have been changes in legislation, national guidance or other considerations which affect the context in which the Plan operates</li> <li>• Core indicators – those monitoring indicators which are considered to be key to whether the Plan is achieving its strategy, objectives and growth levels</li> <li>• Local indicators – whether a range of Plan policies are proving effective</li> <li>• Sustainability Appraisal indicators – ensuring that the Plan is meeting the indicators built into the Plans sustainability appraisal and is working towards achieving sustainability and avoiding environmental harm</li> <li>• Conclusion and recommendation</li> </ul>
1.02	<p>The core indicators and local indicators are presented in table form. Each monitoring indicator has a unique reference (MI1-66) and each table contains the following information:</p> <ul style="list-style-type: none"> <li>• The relevant LDP objective(s)</li> <li>• The relevant strategic policy</li> </ul>

	<ul style="list-style-type: none"> <li>• The key development management / area specific policies</li> <li>• The target – what the indicator is seeking to measure – either as a quantifiable measurement or as a direction of travel</li> <li>• The trigger point – the key mechanism by which to determine if the target is being met, often measured over two consecutive years allowing trends to develop and become clearly identifiable</li> <li>• Justification of Target and Trigger – to provide further explanation if necessary</li> <li>• Implementation – the body which is responsible for maintaining or collecting the monitoring information</li> <li>• Source of Data – how and from where the monitoring information is being obtained</li> <li>• Action – the outcome of the monitoring indicator (see below).</li> <li>• Policy Performance – This is where the monitoring data or evidence is presented along with the commentary on the indicator and whether it is being met or not.</li> </ul>
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1.03	<p>The Actions referred to in the list above are consistent with those in Development Plans Manual and are set out below:</p> <table border="1"> <tr> <td style="background-color: #92d050;"></td> <td>Continue monitoring (if development plan policies are being implemented effectively)</td> </tr> <tr> <td style="background-color: #00b0f0;"></td> <td>Training required for Officers / Members (if development plan policies are not being implemented as intended and further training is required)</td> </tr> <tr> <td style="background-color: #800080;"></td> <td>Further supplementary planning guidance required (if development plan policies are not being implemented as intended and further guidance is required)</td> </tr> <tr> <td style="background-color: #ffff00;"></td> <td>Further investigation / research required</td> </tr> <tr> <td style="background-color: #ffa500;"></td> <td>Policy Review required (if development plan policies are not being implemented and are failing to deliver)</td> </tr> <tr> <td style="background-color: #ff0000;"></td> <td>Plan review required (if development plan policies are not being implemented and the plan’s strategy is not being delivered, this could trigger a formal review in advance of the statutory 4- year review).</td> </tr> </table>		Continue monitoring (if development plan policies are being implemented effectively)		Training required for Officers / Members (if development plan policies are not being implemented as intended and further training is required)		Further supplementary planning guidance required (if development plan policies are not being implemented as intended and further guidance is required)		Further investigation / research required		Policy Review required (if development plan policies are not being implemented and are failing to deliver)		Plan review required (if development plan policies are not being implemented and the plan’s strategy is not being delivered, this could trigger a formal review in advance of the statutory 4- year review).
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1.04	<p><b>Core Indicators</b></p> <p>It is inevitable that most attention will be focussed on the core monitoring indicators relating to housing delivery. There are two key measurements of housing delivery and these are MI2 ‘Number of Net additional market and affordable housing’ and MI1 ‘Annual Level of Housing Completions’.</p> <p><b>MI2 Number of Net additional market and affordable housing</b></p> <p>The Plan has an overall housing requirement of 6,950 dwellings over the 15-year period, which amount to 463 units per annum. The recorded levels of completions between the years 2015-2020 and in 2020-2021 were running ahead of that annual requirement figure of 463 units. In the subsequent three years actual completions have fallen below that figure.</p>
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However, as at the 31 March 2023 the level of actual completions over the first nine years of the Plan period were 171 units ahead of what is required. Over the Plan period to date, the actual completions are running at 482 units per annum compared with the 463 requirement i.e. 4% ahead.

### **MI1 Annual Level of Housing Completions**

In reality, housing is not delivered at a flat rate of 463 units per year. The Plan's housing requirement is met from a variety of sources of supply including existing commitments, allowance for small site windfalls, allowance for large site windfalls, the Northern Gateway strategic site and a number of non-strategic housing allocations. Elements of this supply will come forward at different times and at different rates. Therefore, in preparing the LDP it is a requirement to prepare a housing trajectory which seeks to predict when housing will be delivered on the ground, based on a formula. The calculation is known as the Anticipated Annual Build Rate (AABR) and it is this which the Plan's actual completions must be compared with. For the year 2020/21 the actual completion rate was ahead of the AABR figure for that year but since then actual completions each year have fallen short of the projected figure sought in the AABR trajectory.

The AMR sets out a number of reasons to explain why annual actual completions have not kept track with the AABR and these are:

- The existing landbank of 'speculative' sites given permission prior to LDP adoption on the back of the now deleted TAN1, has slowed down in recent years in terms of delivery
- Landowners / developers on some allocations holding off from submitting planning applications until the Inspector's Report was received and the Plan was adopted
- The process of identifying preferred developers on some allocations taking longer than anticipated
- The scale of infrastructure provision at Northern Gateway and the creation of development-ready plots
- The economic downturn, following the effects of Covid, in terms of cost and availability of materials and labour, interest rates, mortgage rates and general cost of living
- The delays on four allocations (HN1.1, HN1.6, HN1.9 and HN1.10) amounting to 550 units as a result of the phosphates issue.

Notwithstanding this, there are also a number of positive plan performance messages which are summarised as follows:

- The phosphate constraint has been resolved sufficiently to allow for the delivery of LDP growth, as a result of revised phosphate permits being issued by Natural Resources Wales for the three affected waste water treatment works (wwtw) and the confirmation from DCWW that wwtws are operating well within the permitted level of phosphates, thereby creating headroom for new development;
- Good progress is being made at the Northern Gateway site where Anwyl, Bellway, Keepmoat and Clwyd Alyn (supported by Castle Green) are on site and where Persimmon has recently committed to a further large housing plot. Completions are therefore anticipated to accelerate over future years with five developers on site;

	<ul style="list-style-type: none"> <li>The bulk of the remaining non-strategic housing allocations have planning permissions or a committee resolution to grant subject to a Section106 agreement, and three allocations have current detailed planning applications under consideration. Edwards Homes are on site at the Connah's Quay allocation, and it is considered that completions will accelerate over coming years.</li> </ul>
1.05	<p>In a similar manner, the number of affordable housing completions (MI9) on the ground is running behind the annual affordable housing target of 151 units. To date the Plan has delivered an average of 123 affordable housing per annum. It should be noted that a large proportion of affordable housing to be delivered by the Plan will be that arising from the LDP housing allocations. Therefore, as the allocated sites start delivering completions, they will also start delivering more affordable housing. This is important again, as there is no shortfall in capacity to deliver, as the permissions are in place; it is the timing of delivery that has changed from the original housing trajectory.</p>
1.06	<p>It is evident from the adopted trajectory and revised trajectory that there is a lag in the timescales for delivering housing completions. Rather than a peak of anticipated completions in 2023/24 and then completions gradually decreasing, the anticipated peak in completions will now be in 2025/26 and then remaining relatively high before gradually decreasing. This is not a scenario whereby the Plan will not deliver its housing requirement or where there is a shortfall in the supply, but a scenario where it will be delivered differently to that intended in the adopted Plan. Members should also note that the calculations for the original trajectory that is incorporated into the adopted LDP are based on the housing baseline position at 2020, with completions projected forward from there year-on-year. This is subjective in that much of the anticipated annual completions are based on developer estimates, which from experience are always provided on a conservative basis.</p>
1.07	<p>This is borne out by the updated trajectory and completions table shown in Appendix F of the AMR where based on the latest developer estimates and the AABR calculation from those, the Plan will be within just 1% of fully delivering the 6,950 dwellings required. This is not considered to be significant and it is likely that delivery rates will be higher than anticipated to allow for the full requirement to be met. There is more than ample supply to ensure this is the case.</p>
	<p>In terms of the other core indicators, a number of further positive performance messages can be identified and summarised as follows:</p> <ul style="list-style-type: none"> <li>MI3 Spatial Distribution of Housing – the Plan seeks to anticipate the amount of housing development in each tier of the settlement hierarchy for instance 47% of all completions will be in Tier 1 Main Service Centres. Whilst there is some variance in housing delivery to date compared to the % to be attributed to each tier of the settlement hierarchy, it is difficult to set out a final spatial distribution until all elements of supply have been recorded at the end of the Plan period. However, at the present point in time the % figures do not give cause for concern.</li> </ul>

	<ul style="list-style-type: none"> <li>• MI7 Small Sites Allowance – the Plan set an allowance of 60 units per annum to come forward from unidentified small windfall sites. To date, actual site completions have averaged 85 per annum.</li> <li>• MI8 Windfall Allowance – the Plan sets an allowance of 60 units per annum to come forward from unidentified large windfall sites. In reality large site completions have averaged 67 per annum.</li> <li>• MI10 Tenure of affordable housing completions – the Plan seeks affordable housing to be delivered with a mix of 30% social rented, 30% intermediate rented and 40% low-cost home ownership following the split in the current Local Housing Strategy. This mix has only been sought since the Plan was adopted in January 2023 and it is evident that the affordable housing delivered in 2023 and 2024 is different to that sought. As with other housing monitoring indicators, the bulk of the affordable housing on allocated sites has yet to be delivered and it is anticipated that delivery will move towards the mix sought by the Plan.</li> <li>• MI13 Delivery of affordable housing thresholds and % targets – Planning permissions for large housing development of 10 units or more issued since the Plan was adopted have met the Plans % affordable housing requirements. The only exception is some phases and plots at Northern Gateway where the level of affordable housing has been informed by viability assessments.</li> <li>• MI16 Gypsy and Traveller sites / pitches built on allocated sites – Planning permissions have been issued on two of the three residential gypsy traveller allocated sites. The third site at Riverside Queensferry has been delayed due to ongoing work relating to Welsh Government proposals for the Dee Crossing.</li> <li>• MI18 Gypsy and Traveller sites / pitches built on windfall sites – the level of need for pitches in the LDP was informed by the 2016 GTAA. Members will recall from a recent report to this Group that an updated 2022 GTAA has been approved by Welsh Government. Despite this identifying a higher 5 year need of 23 pitches and a Plan period need of 27 pitches, good progress has been made in meeting this need through the issuing of permissions on allocated sites and on small windfall site proposals in line with policy HN9. Further work is being undertaken to assess the present level of provision against the revised need.</li> </ul>
1.08	<p><b>Local Indicators</b></p> <p>This section of the AMR covers a wide range of policies and topics, and the outcome of the monitoring process is that these indicators are being met by the Plan. There are a small number of indicators where there is a lack of precise data evident such as MI39 employment development outside allocations / Principal Employment Areas and MI45 relating to protected trees and woodlands, and this will be looked at more closely in future AMRs.</p>
1.09	<p><b>Sustainability Appraisal (SA) Indicators</b></p> <p>The Plan was prepared alongside what is called an Integrated Impact Assessment (IIA) which comprises a range of assessments including Sustainability Appraisal (SA), Strategic Environmental Assessment (SEA), Welsh Language, Health and Equalities. Built into the IIA is a set of monitoring indicators and the Plan’s implementation has been assessed</p>

	<p>against these. As with the core and local indicators these are presented in a table form, with a 'direction of travel' shown in terms of the performance of the Plan such as using a '+' or '-', as per the original sustainability appraisal. The monitoring shows that the Plan is generally working towards achieving sustainable development and will not have significant environmental effects.</p>
1.10	<p><b>Conclusions</b></p> <p>The Executive Summary at the beginning of the first AMR provides a brief overview of the findings of the first monitoring exercise. More importantly, the Executive Summary provides a succinct answer to each of the questions set out in the Development Plans Manual, that Welsh Government would expect to be answered.</p> <p>The Plan is considered to still be relevant, appropriate, and delivering growth. It is accepted that the projected peak in housing delivery has been put back a year or so in comparison to that anticipated in the adopted trajectory, but there is a portfolio of allocated sites ready to start delivering. It is not a case of the Plan failing to deliver or of their being a shortfall, the Plan is simply delivering in a different manner to that anticipated in the adopted Plan, based on a 2020 housing baseline set of trajectory projections. The Plan is on course to deliver its housing requirement figure.</p>
1.11	<p>Once the AMR is published, there will no doubt be calls from developers who wish to promote their own sites in order to address the 'lag' in housing delivery. However, the present Plan led system does not allow for 'speculative' sites to come forward as was the case under the previous TAN1. In any event, given the lead in time from site identification to planning permission, to SUDS approval, discharge of conditions, to commencement on site, and based on being in year nine of the plan period, it is unlikely that any reasonably sized speculative site could make a difference to the current housing trajectory or delivery rates. The allocated sites should be given time to deliver. There will also be calls from those who oppose the Plan, for an immediate review to take place but this fails to recognise that Plan monitoring is an essential part of the Plan-led system in Wales and that it is monitoring evidence which informs a Plan Review.</p>
1.12	<p>The Plan has only recently been found sound and adopted and is still in full conformity with legislation and national guidance. This first AMR has shown that the Plan is generally performing well in delivering its objectives and strategy. It is therefore considered that the Plan be the subject of further monitoring to better inform the timing and nature of a future Plan Review.</p>

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	<p><b>Revenue:</b> there are no implications for the approved revenue budget for this service for either the current financial year or for future financial years.</p> <p><b>Capital:</b> there are no implications for the approved capital programme for either the current financial year or for future financial years</p>

**Human Resources:** there are no implications for additional capacity or for any change to current workforce structures or roles.

**3.00 IMPACT ASSESSMENT AND RISK MANAGEMENT**

3.01 The preparation of the adopted LDP involved undertaking an Integrated Impact Assessment (IIA) (see the link to this document in the Background Documents) which included Sustainability Appraisal (SA), Strategic Environmental Assessment (SEA), Welsh Language Impact Assessment, Health Impact Assessment (HIA) and Equalities Impact Assessment (EqIA). The preparation of the adopted LDP also had regard to the Well-being of Future Generations Act and the seven well-being principles and five Ways of Working principles. Part of the preparation of the AMR has involved the review of the monitoring indicators which are built into the IIA and the conclusion is that the Plan is delivering sustainable development. The AMR does not set new policy, but merely monitors the performance of the Plan strategy, objectives, policies and proposals. Nevertheless, impact assessments are set out below:

Ways of Working (Sustainable Development) Principles Impact.

Long-term	Positive (the AMR seeks to establish that the right development in the right place is being delivered so as to avoid long term harm)
Prevention	Positive (the AMR demonstrates that the Plan is seeking to prevent development that would not deliver well-being)
Integration	Positive (the AMR demonstrates that the Plan is still accord with national, regional and local guidance, plans and strategies)
Collaboration	Positive (the AMR has involved close working with house-building stakeholders as required by Welsh Government)
Involvement	Neutral (no consultation required)

Well-being Goals Impact

Prosperous Wales	Positive (the AMR demonstrates that the Plan is delivering sustainable development which contributes to prosperity)
Resilient Wales	Positive (the AMR demonstrates that the Plan is preventing inappropriate and harmful development)



	Healthier Wales	Positive (the AMR demonstrates that the Plan is delivering high quality development embracing Placemaking principles, which will contribute to healthier lifestyles)
	More equal Wales	Positive (the AMR demonstrates that it is delivering housing development including affordable housing and employment opportunities for residents)
	Cohesive Wales	Positive (the AMR demonstrates that the Plan is delivering high quality development which will result in attractive, viable, safe and well-connected communities)
	Vibrant Wales	No impact identified

<b>4.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
4.01	There is no formal requirement for consultation required by Welsh Government as part of the preparation of and publication of an AMR. The only exception is a requirement for the Local Planning Authority to circulate housing schedules to a Stakeholder Group comprising housebuilders, as part of evidence gathering to inform the updating of the housing trajectory. This is referenced and explained within the AMR.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 First Annual Monitoring Report.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<p>Flintshire Local Development Plan</p> <p><a href="https://www.flintshire.gov.uk/en/Resident/Planning/Local-Development-Plan.aspx">https://www.flintshire.gov.uk/en/Resident/Planning/Local-Development-Plan.aspx</a></p> <p>Welsh Government Development Plans Manual Ed 3</p> <p><a href="https://www.gov.wales/development-plans-manual-edition-3-march-2020">https://www.gov.wales/development-plans-manual-edition-3-march-2020</a></p> <p>Integrated Impact Assessment of the Flintshire Local Development Plan Post Adoption Statement Jan 2023 (including the Sustainability Appraisal)</p> <p><a href="https://www.flintshire.gov.uk/en/PDFFiles/Planning/Examination-Library-Documents/Final-Sustainability-Appraisal-Report.pdf">https://www.flintshire.gov.uk/en/PDFFiles/Planning/Examination-Library-Documents/Final-Sustainability-Appraisal-Report.pdf</a></p>

7.00	<b>CONTACT OFFICER DETAILS</b>
7.01	<p><b>Contact Officer: Adrian Walters</b>  <b>Telephone: 01352 703294</b>  <b>E-mail: <a href="mailto:Adrian.walters@flintshire.gov.uk">Adrian.walters@flintshire.gov.uk</a></b></p>

8.00	<b>GLOSSARY OF TERMS</b>
	<p><b>Annual Monitoring Report</b> of the Local Development Plan. A report submitted annually to Welsh Government by the local planning authority which assesses the effectiveness of the LDP against a set of monitoring indicators and targets.</p> <p><b>The Development Plans Manual Ed 3</b>, is an online reference document for practitioners who are responsible for, or contribute to, the preparation and implementation of development plans. It contains practical guidance on how to prepare, monitor and revise a development plan, underpinned by robust evidence to ensure that plans are effective and deliverable and contribute to placemaking, as defined in national policy set out in Planning Policy Wales (PPW).</p> <p><b>Completions</b> When a planning permission is fully implemented, usually referred to in recording and monitoring house building i.e. when a dwelling is fully constructed.</p> <p><b>Strategic Environmental Assessment (SEA)</b> A formal process for assessing the effect of a larger scale plan or programme on the environment where its implementation could have significant environment consequences.</p> <p><b>Sustainability appraisal (SA)</b> A process of systematically assessing a development plan against a variety of criteria to ensure that it will achieve sustainable development (see Integrated Impact Assessment).</p> <p><b>Integrated Impact Assessment</b> A combined assessment looking at the social, economic and environmental impacts of a development plan and to assist in bringing about sustainable development. It includes Sustainability Appraisal (SA), Strategic Environmental Assessment (SEA), Habitats Regulations Assessment (HRA) and can also include Health, Equalities and Welsh Language impact assessment.</p> <p><b>Section 106 Agreements</b> A legal agreement between a Council, and applicant (and sometimes third parties) to ensure that certain actions, relevant to the development, are carried out satisfactorily, where these are not capable of being enforced through a planning condition.</p> <p><b>Sustainable urban drainage system (SUDS)</b> All new developments of more than 1 dwelling house or where the construction area is 100m<sup>2</sup> or more, will require Sustainable Drainage Systems (SuDS) for Sustainable urban drainage system (SUDS) surface water - providing drainage systems in a more natural and environmentally friendly manner, by reducing the quantity of run off, slowing the speed of run off and filtering of</p>

water in order to help reduce food risk and reduce pollutants affecting ground water quality.

**SUDS Approval Body (SAB)** - SuDS on new developments must be designed and built in accordance with the Statutory SuDS Standards published by the Welsh Ministers and SuDS Schemes must be approved by the local authority acting in its SAB role, before construction work begins.